## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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May 21, 2012

Ms. Huasha Liu Planning Director, Land Use & Environmental Planning Department SCAG 818 West 7<sup>th</sup> Street Los Angeles, CA 90017

**RE:** Clarification of Housing Element (HE) Planning Period and Due Date, Regional Housing Need Assessment (RHNA) Projection Period, and Eligibility of Jurisdictions to Take RHNA Credit

Dear Ms. Liu:

The Department is responding to your recent request, on behalf of some members of the Southern California Association of Governments (SCAG), for the Department (HCD) to address (a) specific statutory changes regarding the HE "planning" period and due date and the RHNA "projection" period applicable to SCAG jurisdictions for the 5<sup>th</sup> RHNA and HE update cycle, and (b) jurisdictions' eligibility to take RHNA credit for housing units approved, permitted, or produced.

The brief answers to your questions are that SCAG's RHNA "projection" period is from January 2014 through October 2021, whereas the HE due date is October 15, 2013 for the "planning" period from October 2013 through October 2021. The anomaly of the HE due date for SCAG jurisdictions (October 2013) preceding the RHNA start date (January 2014) by three (3) months is due to (a) legislative changes and statutory definitions described below and (b) the date that SCAG adopted its Regional Transportation Plan. Statutory changes applicable for the 5th and subsequent HE update cycles specify the HE due date to be 18 months from the RTP adoption date. The October 2013 HE due date for SCAG jurisdictions follows 18 months from SCAG's April 5, 2012 RTP adoption date.

Regarding jurisdictions taking RHNA credit, nothing has changed. The jurisdiction authorized to permit a particular housing development can take RHNA credit for "new" units approved, permitted, or produced to accommodate "new" housing need projected since the <u>start date of the "new" RHNA projection</u> period. Units approved, permitted, or produced before the start of the "new" RHNA projection period relate to the previous housing need and can only be credited and reported for the previous RHNA and HE update cycle.

## Legislative Changes to RHNA Projection Period and HE Planning Period and Due Date

Senate Bill 375 (Steinberg, Chapter 728, 2008 Statutes and Senate Bill 575 (Steinberg, Chapter 354, 2009 Statutes) added Government Code (GC) Sections defining HE planning period and due date and RHNA projection period per below italicized text:

## RHNA Projection Period

The new projection period shall begin on the date of December 31 or June 30 that most closely precedes the end of the previous projection period." [GC 65588(e)(6)]

"Projection Period" shall be the time period for which the regional housing need is calculated. [GC 65588(f)(2)]

Note: HCD uses January 1 or July 1 dates for RHNA determination start date purposes as these are the effective dates used by Department of Finance (DOF) in updating DOF housing estimates and population projections. Also, once HCD has determined the RHNA, there is no statutory authority to make any revision to the RHNA projection period or RHNA determination.

## **HE Planning Period and Due Date**

"Planning Period" shall be the time period between the due date for one housing element and the due date for the next housing element. [GC 65588(f)(1)]

For purposes of determining the existing and projected need for housing within a region pursuant to Sections 65584 to 65584.08, inclusive, the date of the next scheduled revision of the housing element shall be deemed to be the estimated adoption date of the regional transportation plan update described in the notice provided to the Department of Transportation plus 18 months. [GC 65588(e)(5)]

Note: For HE due dates falling before and after the 15<sup>th</sup> day of a month, HCD rounds "up" the HE due date to fall on either the 15<sup>th</sup> day or last day of a month. Also, while a change in the "actual" adoption date of the RTP from the "estimated" adoption date of the RTP (after HCD has determined the RHNA and identified the HE due date) can subsequently cause a change to the HE due date and HE "planning" period, it would not change the RHNA determination or "projection" period.

Thank you for the opportunity to address questions raised by SCAG's membership. If SCAG or its members have questions, please contact Anda Draghici, Housing Policy Specialist, by email (<a href="mailto:addraghici@hcd.ca.gov">address questions</a> raised by SCAG's membership. If SCAG or its members have questions, please contact Anda Draghici, Housing Policy Specialist, by email (<a href="mailto:addraghici@hcd.ca.gov">address questions</a> raised by SCAG's membership. If SCAG or its members have questions, please contact Anda Draghici, Housing Policy Specialist, by email (<a href="mailto:addraghici@hcd.ca.gov">address questions</a> raised by SCAG's membership. If SCAG or its members have questions, please contact Anda Draghici, Housing Policy Specialist, by email (<a href="mailto:addraghici@hcd.ca.gov">address questions</a> raised by SCAG's membership. If SCAG or its members have questions, please contact Anda Draghici, Housing Policy Specialist, by email (<a href="mailto:addraghici@hcd.ca.gov">address questions</a> raised by SCAG's membership.

Sincerely,

Glen A. Campora

Acting Deputy Director

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